

**SPECIAL MEETING  
BOARD OF MAYOR AND ALDERMEN  
(PUBLIC PARTICIPATION)**

**April 16, 2013**

**7:00 p.m.**

**Mayor Gatsas** called the meeting to order.

**Mayor Gatsas** called on Aldermen Shaw and Shea to introduce three students from Bakersville School to lead us in the Pledge of Allegiance.

**Alderman Shaw** stated I am honored to introduce two ward 9 residents and students from Bakersville Elementary School to lead us in the pledge, Nakeishary Pacheco and Christian Sebo.

**Alderman Shea** stated I am honored to introduce a ward 7 resident and student at Bakersville, AJ Lacourse.

A moment of silence was observed.

The Clerk called the roll.

Present: Aldermen Craig, Ludwig, Long, Roy, Osborne, Corriveau, O’Neil, Levasseur, Shea, Katsiantonis, Shaw, Greazzo, Gamache, Arnold

**Mayor Gatsas** advised that the purpose of the special meeting is to give residents of Manchester the opportunity to address the Board on items of concern affecting the community; that each person will be given only one opportunity to speak; that comments shall be limited to three minutes to allow all participants the opportunity to speak and any comments must be directed to the Chair. Any resident wishing to speak come forward to the nearest microphone, clearly state their name and address when recognized, and give their comments.

**Glenn R.J. Ouellette**, 112 Auburn Street stated:

The political will to do the right thing; lots of people on this board don’t have that. They really don’t. We know that it is costing the city \$15 million a year for Yarger Decker and we know that we can’t afford it and we need to replace it yet, in the last nine years we have kicked it down the street three times. The next time around is 2014. Are we going to do it again or are we going to solve the problem? It needs to be replaced. I am hoping tonight that someone makes a motion and starts the ball rolling and I am not looking at anybody in particular. Do the right

thing. When we anticipate selling property in this City we really shouldn't break it up. To give you an example, if we end up down the road selling West High School, you just sold the parking lot. That is a big building. If a manufacturer or housing wants to go in there where are they going to park? You aren't going to get much for the building without parking and if you think anybody would know that it would be you people because you are the ones who make the ordinances. You have to have so many parking spaces for businesses and for housing. We spend hundreds of thousands of dollars on projects and you sell them off in bits and pieces and we wonder why we can't get what they are worth. That is a good reason; because people can't build what they want because of the ordinances. There has been a lot of talk lately on the charter commission about boards and not being able to find people to serve on them. That is bologna. How many times have people gone to an alderman or a mayor or to the people in charge of those boards and say we are interested? They are not part of this one City so their name never gets put through. To have someone serve four terms of five years each is not in the City's best interest. New blood is good. As for the school fiasco, and that is what it is, I cannot believe that out of 87 people who applied and were certified to be superintendents that we can't go back to the old list. We had someone who was willing to do it for \$140,000 or \$145,000 on a one year contract. I truly believe in my heart this didn't happen because of the politics. We need to find a superintendent that is not from this area so that they can get the work done. Thank you.

**John Giles**, 610 Union Street, stated:

I am here on behalf of my wife, myself and Jonathan. We are peddlers. We have hot dog and sausage carts in the city and I would like to address the civic center zone permits. They don't allow peddlers in that zone but we would like to have it tweaked a little bit to allow us to be outside in the civic center zone area after 11:00 p.m.. As you may all be aware, there are about five nightclubs in a one block area now and we would like to be out there from 11:00 p.m. until 2:00 a.m. or 2:30 a.m. to serve the club goers when they are getting out of the clubs. We serve a purpose. The club goers might have had one too many drinks and getting something in their stomach like a sausage or hot dog could prevent them from getting in their cars and driving drunk. We are out there and we have cell phones on us. As some club goers come out, they don't want to drive and they want to call a cab but they don't have their cell phone. We are out there and we have the cab service on speed dial on our phones. We provide a service. We would just like the civic zone ordinance that prevents us from being out there to be tweaked a little. We understand why the ordinance was put into place, which was to protect the concession business inside the civic arena but if there isn't anything going on

there or at 11 PM...the only time I have seen anything go on past 11 PM was when Mitt Romney was having his rally. That is the only time I saw an event go on past 11 PM. I don't see if we are out there from 11 PM until 2:30 AM serving club goers when they are coming out of the clubs, how that is taking anything away from the concessions inside the arena. The way the ordinance is written right now, we can't be out there. I would like to have the ordinance tweaked to allow us to go out there and make a living and to serve the club goers.

**Howard McCarthy**, 52 Valentine Drive, stated:

First of all, I miss Matt Normand not being here. If you see him, tell him that I am thinking about him. I watched the proceedings last night right upstairs. I had a better view of you. It was quite a show and it was quite long; four hours. I saw about three and a half hours of it. Some of it was pathetic to think that all of those department heads were here and most of them want money to run their departments but they have no solutions; they don't know how to do it. You know something, Your Honor? I have some solutions. I really do but because of the time limit you will have to simmer in your own stew until I get back here again. You would like to hear them wouldn't you? Well you are not going to hear them. You are going to sit there and wait. As for the solutions, I remember when Mike Lopez was an alderman. I used to talk to him a lot. He said Howard no matter how much you criticize and this and that, we are looking for solutions. Your Honor, I have some. I really do. You did a lot of laughing last night and that was great. The only thing is I didn't know what you were laughing about so I couldn't join you. Do any of you here have the gumption or the courage to make a motion to go from three to five minutes? You know it is the right thing. Can any one of you do that? I can assure you that whatever you do it won't be boredom. I would like to finish with a few things to tell you who I am once and for all. Howard Howard is my name; you don't know me and that's a shame. What I am about is very plain; music and common sense is my game. You wonder why I always dress in black and why you never see colors on my back. Why does my appearance seem to have a somber tone? Well there is a reason for the things I have on. I wear the black for the poor and the beaten down; living in the hopeless, hungry side of town. I wear it for the prisoner who has long paid for his crime but is there because he is a victim of his time. I wear the black for those who never read or listened to the words that Jesus said; about the road to happiness through love and charity; why you'd think he was talking straight to you and me. While we are doing mighty fine I do suppose, in our streak of lightening cars and fancy clothes; but so we are reminded of the ones who are held back up front there ought to be a man of black. I wear it for the sick and lonely old; for the reckless ones whose sad trip left them cold. I wear the black in mourning for the lives that could

have been, each week we lose 100 fine young me. I wear it for the thousands who have died believing that the Lord was on their side. I wear it for another hundred thousand who have died, believing that we were all on their side. While things will never be all right I know, and things need changing everywhere you go but until we start to make a move to make a few things right, you will never see me wear a suit of white. I would love to wear a rainbow every day and tell the world that everything is okay. But I will try to carry off a little darkness on my back; until things are brighter I am the man in black.

**Jim O'Connell**, 265 Prospect Street, stated:

It is hard to follow a speaker such as the last one. I will have to up my game and spend time practicing at home or something. I just want to say tonight that I have been watching the deliberations that you have had on the budget in these recent days and nights and I commend you for the thoughtful questioning from the members of the board and the amount of diligence that everyone puts into this. From the outside looking in, it is clear to me that you have a lot of things on your plate and a lot of difficult decisions to make. I, as you know, am a one horse guy here. While I am concerned with everything in this City, education is the thing that concerns me most. Recognizing all of the difficulties that you face, I think it is important that we at least try to establish the truth so we are talking about the problem as it actually exists. One of the frustrations and difficulties that I have had, and I am told by some of you that it is shared by you also, is that it is not clear what the situation is. An example of this from the other night was when Alderman Ludwig was speaking about the number of classes that were out of code or not meeting state standards. It is amazing to me that the simple truth, which is available from the district and the department of education, is not widely known. It is a very simple thing. There are 212 classes in the City of Manchester as of two weeks ago that do not meet state minimums. The *Union Leader* reported 152. That is a real number based on a torturous set of logic used by the school board to get to 152 but they did get to 152. Whether it is 152, which is bad enough, or the fact that it is 212 in any case the fact that we can't arrive at one number is frustrating to me. If we could agree on the number, which is a known fact and not a mysterious that you need some consultant to come in and help you arrive at, then we can begin to address the problem. I would ask you to seek out the facts from the NH Department of Education so that you know the extent of the problem and then perhaps we can work towards a solution. Thank you for your time and work on these issues.

**Mayor Gatsas** asked I would like to have Anthem come up and start their presentation.

**Amy Winning**, stated I am with Anthem Blue Cross and Blue Shield. I am the account manager that works with the City staff and employees on education and information around healthcare. To my immediate right is Arlene Fishbein. I believe she is a very familiar face to you folks. She was here last year doing this same exercise. To my far right is Amy Drew and she is our pharmacy account manager and we will be talking about some of the data points that she has found. Without further ado, I will pass this to Arlene. We are going to be doing it a little bit different than we have in the past. We are going to spend some time summarizing some of the data from fiscal year 2011 to 2012, then we are going to give a little bit of a highlight on some of the utilizations since some plan changes were enacted last year with open enrollment on July 1.

**Mayor Gatsas** stated I think the board would be more interested in listening from July 1st to present on the new plan changes that we instituted and what that did for us. I think they are all aware of what was in the plan before that. I think that would be an interesting discussion to have and maybe I can save you your voice.

**Alderman O'Neil** asked the handout doesn't reflect that, correct?

**Ms. Winning** answered that is correct.

**Mayor Gatsas** started it doesn't but I think if you look at the handout and compare it to what is in front of us or what you hear, I think it is probably more pertinent. I don't have it either but I think it is more pertinent based on the changes we made to the plan and how it has affected us going forward.

**Ms. Winning** stated on page 5 there is a summarization. We put together a high level synopsis of what has transpired since those changes took effect last July and the data goes through this past February. It is eight months of the plan year.

**Ms. Arlene Fishbein**, Anthem, stated your packet in front of you is a very detailed, deep dive into the fiscal year 2012 and the addendum or now. Just as a quick recap, for FY12 you actually had a 1.8% increase in per member per month costs. Keep that in mind as you move forward into the new plan. In the eight months' worth of data, you had a small number of your membership that opted to take a different plan design so that there were higher out of pocket costs for the member. For a small segment of the population, you went from a member cost share of 3.5% to a member cost share of 7.2%. Although we only have eight months' worth of data, we do see some promising results of that. For that period

of time, we did see an overall 16% reduction in per member, per month costs. The initial per member per month cost at the beginning of the fiscal year was \$505.26 and at the moment in time of February 28, 2013, it was \$425.29. We have seen some decreases in terms of inpatient, outpatient and professional in both costs and utilizations. I caution you that the data is immature and that things can change on a dime. What we did see that I would like to showcase is the fact that in the outpatient setting, the per-member, per-month costs were actually down 6.9% and utilization was down 8.8%. I focused in on the emergency department because that is an area in which you would see an impact and the cost of the emergency department actually decreased 5.7% and utilization was down 3.1%. In addition to what you saw in the fiscal year, where there were some decreases in the emergency room department costs, as well as utilization, you had some further decreases as well. In the fiscal year had 21 high dollar claimants that were actually driving a 6.5% trend. In this period of time, the new period of time, you have 18 high cost claimants and we are defining that at the \$75,000 threshold. You have lost, if you will, three members. However, you have some new members that have bubbled up from the original population that didn't meet that threshold that are now in the mix for high dollar claims. It is too soon to say what will happen there but there is some promising news. In terms of the pharmacy, my colleague, Amy, might want to give you some update on that.

**Amy Drew**, Anthem Pharmacy Account Manager stated at the end of the last fiscal year, June 2012, when we looked at the 12 months of pharmacy data, we saw some slight increases in plan costs and overall pharmacy spent but nothing alarming at all with the exception of an increase in the specialty drug percentage. When I talk about specialty drugs, I am talking about medications that are very expensive that require special handling like refrigeration or syringes to administer. They are used to treat complex diseases like multiple sclerosis or rheumatoid arthritis; diseases that are not all that common. We did see an uptick in the trend for your specialty spend. When we look at the most recent eight months that ended in February 2013, while we did still see an increase in the specialty drug trend that is actually going up for just about all of our book of business. It is something I want to keep an eye on because that can certainly exacerbate and increase the pharmacy spend pretty quickly, even with one or two members. Overall, when I look at the pharmacy data from the previous 12 months to the most recent 8, I see some promising things. Plan costs have come down and are trending down at about 8%, which is good news. We are also seeing your utilization come down a little bit. One thing we are seeing go up is your member cost shares. Before you were certainly lower than our book of business, which is about 17% of plan costs that a member pays. You were around 10% at the end of

the plan year in 2012. You are back up to 17%. I don't want that to alarm anyone.

It doesn't mean that members are spending more of their dollars and too much of their money on their co-payments. What we are really seeing is that your generic fill rate has gone up so considerably that members are actually paying a higher percentage because they are getting less expensive medication. We saw a lot of medications become available as generic with Lipitor being number one and members did switch over to that by almost 95%. That is very positive news and saving the plan a lot of money. We will continue to educate members and provide them with materials to encourage them to switch to generic medications as that is one way to control the pharmacy spend. Overall, I am definitely seeing some positive news.

**Alderman Long** asked with respect to the data being immature, how much data would we need to grasp a trend?

**Ms. Drew** stated we typically like to look at at least a year's worth of data to compare the year to the prior year. It is best if we can look at a three year span so you really have a good handle on the ups and downs. When I said that the data is immature, perhaps I used the wrong terminology there. With only eight months' worth of data, certainly we can compare per member per month costs and we can compare per 1,000 utilization but you only have eight months' worth of data that we are looking at almost in a vacuum. It is very hard to say what we can predict for the future when we don't know what is going to happen with, for example, the high dollar claimants. Anything can happen. If you have a sick baby then that is going to turn that around in no time. On the other side of that coin, if you have members who are treated fast and aggressively and their issues are resolved quickly, costs will go down.

**Mayor Gatsas** stated we are going to adjourn this meeting now and call the regular board of mayor and aldermen meeting to order.

*There being no one else present wishing to speak, on motion of **Alderman Ludwig**, duly seconded by **Alderman Long**, it was voted to take all comments under advisement and further to receive and file any written documentation presented.*

*There being no further business, on motion of **Alderman O'Neil**, duly seconded by **Alderman Roy**, it was voted to adjourn.*

A True Record. Attest.

A handwritten signature in black ink, appearing to read "Matthew Normand". The signature is fluid and cursive, with a long horizontal stroke at the end.

City Clerk